

Application number 10/056,125
Amendment dated 6 November, 2006
Reply to Office Action of August 16, 2006

REMARKS

Applicant's invention centers on providing traders with an improved market activity chart by integrating traditionally separated price and volume bars in a single bar that shows price movement and cumulative volume at each price level.

Applicant would like to change specification, wherever says "selected instruments traded in a market" to read "market traded securities". This change will clarify its scope without introducing new subject matter.

Claim rejections - 35 USC § 112

Office action states claims 14-19 rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention

Claims 16, 17, and 18 were amended to clearly point out the subject matter of the invention, while claims 14, 15, and 19 were cancelled.

Claim rejections - 35 USC § 101

Office action states claim 20 rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter, particularly, an abstract idea.

Claim 20 was amended to clearly identify the subject matter of the invention as statutory matter, a chart.

Claim rejections - 35 USC § 102

Office action states claims 1-20 are rejected under 35 U.S.C. 102(e) as being anticipated by Garcia, U.S. Patent No. 6,272,474.

Garcia's U.S. Patent No. 6,272,474, "Method for Monitoring and Trading Stocks via the Internet Displaying Bid/Ask Trade Bars" (Garcia), is primarily concerned with

Application number 10/056,125
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displaying the percentage of transactions that were executed at bid price, ask price, or in between those. Applicant invention objective is to show trading volume at each price level regardless of bid or ask prices. Applicant invention does away with Garcia's and previous art histogram volume representation, by integrating volume and price information on a single bar (the price-volume bar.) Reference Garcia's preferred embodiment figure 3. vs. applicant embodiment figure 7.

Summarizing the differences between Garcia's and Applicant inventions:

- 1) **Garcia's patent is concerned with aggregating trading volume executed at bid price, ask price, and in between those two. Applicant's invention objective is to show trading volume at each price level regardless of bid or ask price. Garcia makes no attempt to discriminate volume per price level, only classifying each transaction as executed at bid, ask, or in between. Applicant's method aggregates trading volume by price levels, regardless of current bid and ask prices.**
- 2) **Garcia's Bid/Ask Trade Bar is a volume only bar, while Applicant is a combined price and volume bar. Garcia's Bid/Ask Trade Bar s display all volume for each time interval as a single bar separated from a price bar, where the volume has three sections to indicate percentage of trades at bid price, ask price, or in between those, and displays it in a traditional volume histogram configuration. Applicant's invention does away with Garcia's and previous art separated price and volume bars, by showing trading price movement and volume at each price level combined within the price bar, and thus called price-volume bar. Compare Garcia's preferred embodiment figure 3. to applicant embodiment figure 7. It is impossible from Garcia's embodiments and methods to deduct volume at each price level, while applicant's invention objective is to show this information.**
- 3) **Garcia's invention aggregates volume based on continuously changing bid / ask prices, Applicant's invention aggregates volume based on preselected**

Application number 10/056,125
Amendment dated 6 November, 2006
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price brackets. Garcia's method aggregates trading volume in relation to bid and ask prices at the time of the transaction occurs. Bid and ask prices are continuously changing per market conditions. Applicant invention aggregates trading volume for each price bracket of a preselected list of price brackets.

- 4) **Garcia displays volume by the bar length, Applicant by the bar width.** Garcia's Bid/Ask Trade Bars display percentage of trading volume at bid, ask, or in between by the bar length, while Applicant's price-volume bars display proportional trading volume at each price level by the bar width.
- 5) **Garcia's invention objective is to show trading volume respect to current bid and ask prices while Applicant's invention objective is to show trading volume at each price level.** Both Garcia's and Applicant's methods use transaction information ("Time and Sales" data) to aggregate trading volume, although each method have different objectives and both results on completely different charts. Garcia's invention objective is to show trading volume respect to current bid and ask prices (Garcia's column 6, line 5-column 6, line 15), while Applicant's invention is to show trading volume at each price level, regardless of current bid and ask prices(Applicant's paragraphs 0038-0044).

Remarks to office action statements regarding Claim 1, as referred on Office Action, paragraph 8.

- a) Garcia's figure 4 noted by office action shows a prior art Nasdaq Level II screen, showing prior art "Time and Price" information. Bid/Ask Trade bar, Garcia's invention, is shown at bottom left corner.
- b) Garcia's figure 4, "Time", "Price", and "Size" noted by office action: Garcia's figure 4 shows a standard Nasdaq Level II screen. Left panel "Size" refers to size of each transaction executed, center and right panel "Size" bid and ask offer size of each market maker, this are not transactions but offers (Garcia's column 4, line 65, column 5 - line 5, line 15, and column 5, line 30-column 5, line 50, figure 2 prior art.) Applicant's claim refers to the method for aggregating transactions for

Application number 10/056,125
Amendment dated 6 November, 2006
Reply to Office Action of August 16, 2006

each price bracket during each time interval. There is no computation of aggregate transaction volume on Nasdaq Level II screen as referred by Applicant's invention.

- c) Office action notes Garcia's figures 3, 5, 6, and column 6, line 45-column 7, line 60. As discussed above Garcia's invention shows transaction activity using sequential Bid/Ask Trade Bars while applicant invention shows transaction activity using sequential price-volume bars. Garcia's Bid/Ask Trade Bars aggregates trading volume into a single bar for each interval, and divides it in three sections for transactions at the bid price, ask price, or in between. Applicant's price-volume bars aggregate trading volume at each pre-determined price bracket, regardless of bid and ask prices. The result is strikingly different: Garcia's Bid/Ask Trade Bars are volume-only bars, shown separated from a prior art price bar chart. Applicant's price-volume bars integrate price and volume in one bar, showing comparative trading volume occurred at each price level or bracket. (Applicant figure 7 and 10, paragraphs 0072-0073.) Comparative trading volume occurred at each price level is impossible to infer from Garcia's invention. For example, on Garcia's figure 3, it is impossible to determine how much trading volume occurred at 100 7/16 compared to 100 8/16 during the 10:00 interval, while applicant's price-volume bars will show trading volume at each price. There is no relationship between Garcia's method of aggregating trading volume and Applicant's method of aggregating trading volume, and the result is totally different: Garcia's invention is a modification of prior art volume bar (Garcia, column 6, line 50-column 6, line 55), while Applicant's invention is to replace prior art separated price and volume bars chart system with an integrated price-volume bar chart to show trading volume at each price level and each time interval.

Office action made of record US Patent 6,993,504 by Friesen et al (Friesen) as disclosing an user interface for providing trading between a plurality of semi-fungible goods.

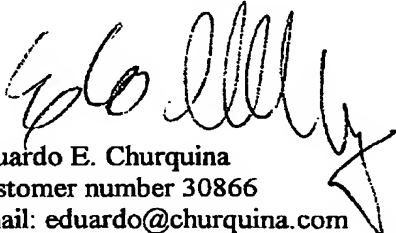
Application number 10/056,125
Amendment dated 6 November, 2006
Reply to Office Action of August 16, 2006

Applicant had considered this reference and believe his claims, as submitted herewith, patentably distinguish over these references as well. Friesen's interface displays order books (offers to buy and sell) and does not display actual trades executed (reference Friesen column 2, lines 51-64, figure 13-15.) Applicant invention displays actual trades after they have been executed.

In view of the above, it is submitted that the claims as amended are in condition for allowance. Reconsideration of the rejections and objections is requested.

Please correspond via email or telephone.

Respectfully submitted,



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